

WASHINGTON STAR

JUL 14 1964

Rostow to Propose Plan To Build Latin Markets

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Walt W. Rostow, chairman of the State Department's Policy Planning Council, will propose new strategy for creating national markets in Latin America at the first working session of the Inter-American Committee on the Alliance for Progress in Mexico City this week.

The new American delegate to the committee (called CIAP from its Spanish initials) will make an important report outlining a four-point program for narrowing the gulf between developing metropolitan centers and stagnating rural areas in Latin America. The session, under way in the Mexican capital, may last three weeks.

Four Proposals

Aside from the obvious need for roads, Mr. Rostow will propose:

Building up agricultural production in rural areas through increased technical assistance, expanded credit resources and incentives to adopt new crops and methods.

Revolutionizing the marketing

of agricultural products in cities by encouraging mass marketing with small unit profits.

Shifting of industrial emphasis to the production of simple agricultural equipment such as canvas shoes, flashlights, bicycles and sewing machines.

Revolutionizing the marketing of industrial products in rural areas.

Trucks Needed

"What may be required," Mr. Rostow said, "are mobile trucks which would go at regular intervals to the villages with stocks of consumer goods and agricultural equipment. It might take three or five years to become profitable but the availability of such goods at reasonable prices would yield for the developing nation a higher amount of industrial employment for the expenditure of a given amount of income in the villages."

He said most marketing involves too many middlemen with excessive unit profits.

Mr. Rostow replaced Teodoro Moscoso as the American representative on the committee, which is charged with drawing up long-range

plans for applying the principles of the Alliance to Latin America.